THE STATE OF CALIFORNIA 1915(b) PROGRAM

Project Name:	Sacramento Geographic Managed Care (GMC)
Initial Proposal Approval:	August 13, 2000
Previous Renewal Expiration:	August 12, 2002
Latest Renewal Submission:	May 15, 2002
Latest Renewal Approval:	October 9, 2002
Latest Renewal Expiration:	October 8, 2004

PROGRAM SUMMARY:

The State of California submitted a proposal under Section 1915(b) of the Social Security Act (the Act) authority to require specific Medi-Cal beneficiaries to enroll in State contracted health care and dental care plans and to require these beneficiaries to select a primary care physician (PCP) and primary care dentist (PCD) to provide (through an ongoing patient-physician/dentist relationship) primary care services and referral for all necessary specialty services. The State has overall responsibility for the managed care program and will administer the contracts with the health plans and dental plans.

California legislation, enacted in 1982 and amended in 1991, authorized the development of a program which requires Medi-Cal beneficiaries who reside in a designated geographic area to enroll in one of two or more competing health plans under contract with the Department of Health Services (DHS) to provide or arrange for Medi-Cal covered services. A fee-for-service (FFS) Medi-Cal delivery system will continue to operate in the designated geographic area to provide Medi-Cal services to those beneficiaries not required to enroll in a geographic managed care (GMC) health plan.

The California Medical Assistance Commission (CMAC) negotiates the GMC contract with the health plans and dental plans with the Department of Health Services (DHS) retaining the responsibility for entering into the contract. No less than three plans will be available for selection by Medi-Cal beneficiaries. Currently, there are seven health plans and four dental plans contracted in the Sacramento GMC program.

HEALTH CARE DELIVERY:

Beneficiaries are given a wide choice of participating GMC contractors to choose from including prepaid health plans (PHPs) and dental plans. In the selecting of the health plans and dental plans for participation, the State assesses the health and dental plan's staffing and organization, financial viability, management information systems (MIS), and provider network. The State contracts with those plans that can demonstrate their effectiveness and efficiency in providing covered services, which can demonstrate the plan's ability to provide the required scope of services and quality of care, and the ability to meet all terms of the contract and all applicable

federal and state laws.

Each contracted health plan is required to provide a primary care physician (PCP) for each member. PHPs provide physicians as PCPs and dental plans provide dentists as PCDs. The PCP and PCD manage the beneficiary's health care services.

The health plan assists the member in gaining access to the health care system and monitors on an ongoing basis the member's condition, health care needs, and service delivery. The health plan is responsible for the ongoing monitoring of the member's health status and the coordinating and overseeing of their utilization of health care services. The health plan adheres to the appropriate preventive services' schedules for all members assigned. The health plans are responsible for locating, coordinating, and monitoring all primary care, inpatient, and other medical and rehabilitation services on behalf of beneficiaries enrolled in the Sacramento GMC program.

BENEFIT PACKAGE:

All Medicaid covered services are included under the Sacramento GMC program. Dental PHPs cover those dental services set forth in Title 22, CCR, Section 51059. Services not covered under the program will be obtained in the same manner as under the regular Medicaid program. Medicaid recipients are informed of the non-covered services and the process for obtaining such services.

In accordance with regulations, pre-authorization of emergency and family planning services by the beneficiary's health or dental plan is not required under the Sacramento GMC program. Beneficiaries are informed that emergency and family planning services are not restricted under the program. PHPs will cover emergency and family planning services under their contracts and are required to reimburse out-of-plan as well as in-plan providers for those services.

EXCLUDED SERVICES:

Major Organ Transplant Services
Long Term Care Services
Adult Day Health Care

LOCK-IN PROVISION:
Not applicable

ENROLLMENT BROKER:

Medi-Cal applicants at the time of eligibility determination are referred to the Health Care Options (HCO) enrollment program. DHS contracts with a neutral party to perform enrollment and disenrollment functions for the Sacramento GMC program. The HCO enrollment contractor mails an enrollment packet to each eligible Sacramento GMC Medi-Cal beneficiary, including enrollment forms, a description of all the available health and dental plans, and a comparison

chart of the special services offered by each plan. Medi-Cal beneficiaries are required to select one health plan and one dental plan from the available plans or is automatically assigned if no choice is made. The selection/assignment process assures continuity of care for beneficiaries under the care of a physician or dentist for a defined complex medical or dental condition.

COST EFFECTIVENESS/FINANCIAL INFORMATION:

The State demonstrated cost-effectiveness in the following manner: The State's actual fee-for-service (FFS) paid claims under the waiver, which were paid based on population, inflation/utilization, pricing, programmatic/policy changes, administrative costs and carved-out services, were totaled to document costs under the waiver for both medical and dental services. Those same FFS paid claims were then repriced using the payment rates that would have been in effect if the waiver was not implemented in order to determine what costs would have been without the waiver. To determine savings, total costs under the waiver were compared to total costs that would have been incurred in the absence of the waiver. California expects a result of about $24.03 million in total savings for the 2-year waiver renewal period for both medical and dental services.

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